### Union Calendar No. 134

104TH CONGRESS 1ST SESSION

# H. R. 743

[Report No. 104-248]

To amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes.

#### IN THE HOUSE OF REPRESENTATIVES

JANUARY 30, 1995

Mr. Gunderson (for himself, Mr. Fawell, Mr. Goodling, Mr. Hoekstra, Mr. Petri, Mrs. Roukema, Mr. Ballenger, Mr. Barrett of Nebraska, Mr. Talent, Mr. Christensen, Mr. Emerson, Mr. Bereuter, Mr. Boehner, Mr. Hoke, Mr. Linder, Mr. Porter, Mr. Portman, Mr. Stenholm, and Mr. Hayes) introduced the following bill; which was referred to the Committee on Economic and Educational Opportunities

#### September 18, 1995

Additional sponsors: Mr. McKeon, Mr. Weldon of Florida, Mr. FUNDERBURK, Mrs. MEYERS of Kansas, Mr. Sam Johnson of Texas. Mr. Bateman, Mr. Upton, Mr. Knollenberg, Mr. Hutchinson, Mr. DEAL of Georgia, Mr. KLUG, Mr. MILLER of Florida, Mr. NORWOOD, Mr. HALL of Texas, Mr. ZIMMER, Mr. QUILLEN, Mr. GRAHAM, Mr. SOUDER, Mr. Cunningham, Mr. Riggs, Mr. Castle, Mr. Hancock, Mr. McIntosh, Mr. Bonilla, Mr. Gallegly, Mr. Greenwood, Mrs. SEASTRAND, Mr. DREIER, Mr. COMBEST, Mr. CRAPO, Mr. CRANE, Mr. Cox of California, Mr. REGULA, Mr. BARTLETT of Maryland, Mr. BASS, Mr. Hefley, Mrs. Myrick, Mr. Canady of Florida, Mr. McCollum, Mr. Coble, Mr. Scarborough, Mr. Bryant of Tennessee, Mr. Allard, Mrs. Fowler, Mr. Thornberry, Mr. Baker of Louisiana, Mr. Goss, Mr. Wamp. Mr. Salmon. Mr. Hayworth. Mr. Clinger. Mr. Barton of Texas, Mr. Chambliss, Mr. Bilbray, Mr. Kolbe, Mr. Hastings of Washington, Mr. HERGER, Mr. CALVERT, Mr. PARKER, Mr. LATHAM, Mr. Hansen, Mr. Doolittle, Mr. Stump, Mrs. Chenoweth, Mr. SMITH of Texas, Mr. INGLIS of South Carolina, Mr. BUNNING of Kentucky, Mr. Wolf, Mr. McInnis, Mr. Wicker, Ms. Pryce, Mr. Bachus, Mr. Barr, Mr. Spence, Mr. LaHood, Mr. Manzullo, Mr. Paxon, Mr.

DICKEY, Mr. CALLAHAN, Mr. BLILEY, Mr. HILLEARY, Mr. HEINEMAN, Mr. GEKAS, Ms. DUNN of Washington, Mr. NUSSLE, Mr. BROWNBACK, Mrs. WALDHOLTZ, and Mrs. LINCOLN

#### September 18, 1995

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed [Strike out all after the enacting clause and insert the part printed in italic]

## A BILL

To amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes.

- Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

  SECTION 1. SHORT TITLE.

  This Act may be cited as the "Teamwork for Employees and Managers Act of 1995".

  SEC. 2. FINDINGS AND PURPOSES.

  (a) FINDINGS.—Congress finds that—
  - (1) the escalating demands of global competition have compelled an increasing number of employers in the United States to make dramatic changes in workplace and employer-employee relationships;
  - (2) such changes involve an enhanced role for the employee in workplace decisionmaking, often referred to as "Employee Involvement", which has

8

9

10

11

12

13

- taken many forms, including self-managed work
   teams, quality of worklife, quality circles, and joint
   labor-management committees;
  - (3) Employee Involvement programs, which operate successfully in both unionized and nonunionized settings, have been established by over 80 percent of the largest employers in the United States and exist in an estimated 30,000 workplaces;
  - (4) in addition to enhancing the productivity and competitiveness of businesses in the United States, Employee Involvement programs have had a positive impact on the lives of such employees, better enabling them to reach their potential in work force;
  - (5) recognizing that foreign competitors have successfully utilized Employee Involvement techniques, the Congress has consistently joined business, labor and academic leaders in encouraging and recognizing successful Employee Involvement programs in the workplace through such incentives as the Malcolm Baldrige National Quality Award;
  - (6) employers who have instituted legitimate Employee Involvement programs have not done so to interfere with the collective bargaining rights guaranteed by the labor laws, as was the case in the

- 1930's when employers established deceptive sham 1 2 "company unions" to avoid unionization; and 3 (7) Employee Involvement is currently threat-4 ened by legal interpretations of the prohibition 5 against employer-dominated "company unions". (b) PURPOSES.—The purpose of this Act is— 6 7 (1) to protect legitimate Employee Involvement programs against governmental interference; 8 9 (2) to preserve existing protections against deceptive, coercive employer practices; and 10 11 (3) to allow legitimate Employee Involvement 12 programs to continue to evolve and proliferate. SEC. 3. EMPLOYER EXCEPTION. 14 Section 8(a)(2) of the National Labor Relations Act
- Section 8(a)(2) of the National Labor Relations Act is amended by striking the semicolon and inserting the following: ": Provided further, That it shall not constitute or be evidence of an unfair labor practice under this paragraph for an employer to establish, assist, maintain, or participate in any organization or entity of any kind, in which employees participate, to address matters of mutual interest, including issues of quality, productivity and efficiency, and which does not have, claim, or seek authority to negotiate or enter into collective bargaining agreements with the employer or to amend existing collective bargain

ing agreements between the employer and any labor organization.". SEC. 4. LIMITATION ON EFFECT OF ACT. 4 Nothing in this Act shall affect employee rights and responsibilities contained in provisions other than section 8(a)(2) of the National Labor Relations Act, as amended. SECTION 1. SHORT TITLE. This Act may be cited as the "Teamwork for Employ-8 ees and Managers Act of 1995". 10 SEC. 2. FINDINGS AND PURPOSES. (a) FINDINGS.—Congress finds that— 11 (1) the escalating demands of global competition 12 have compelled an increasing number of employers in 13 the United States to make dramatic changes in work-14 15 place and employer-employee relationships; (2) such changes involve an enhanced role for the 16 17 employee in workplace decisionmaking, often referred 18 to as "Employee Involvement", which has taken 19 many forms, including self-managed work teams, quality-of-worklife, quality circles, and joint labor-20 21 management committees; (3) Employee Involvement programs, which op-22 erate successfully in both unionized and nonunionized 23

settings, have been established by over 80 percent of

- the largest employers in the United States and exist
   in an estimated 30,000 workplaces;
  - (4) in addition to enhancing the productivity and competitiveness of businesses in the United States, Employee Involvement programs have had a positive impact on the lives of such employees, better enabling them to reach their potential in the workforce;
    - (5) recognizing that foreign competitors have successfully utilized Employee Involvement techniques, the Congress has consistently joined business, labor and academic leaders in encouraging and recognizing successful Employee Involvement programs in the workplace through such incentives as the Malcolm Baldrige National Quality Award;
    - (6) employers who have instituted legitimate Employee Involvement programs have not done so to interfere with the collective bargaining rights guaranteed by the labor laws, as was the case in the 1930's when employers established deceptive sham "company unions" to avoid unionization; and
    - (7) Employee Involvement is currently threatened by legal interpretations of the prohibition against employer-dominated "company unions".
- 25 (b) Purposes.—The purpose of this Act is—

- (1) to protect legitimate Employee Involvement
   programs against governmental interference;
- 3 (2) to preserve existing protections against de-4 ceptive, coercive employer practices; and
- 5 (3) to allow legitimate Employee Involvement 6 programs, in which workers may discuss issues in-7 volving terms and conditions of employment, to con-8 tinue to evolve and proliferate.

#### 9 SEC. 3. EMPLOYER EXCEPTION.

10 Section 8(a)(2) of the National Labor Relations Act is amended by striking the semicolon and inserting the following: ": Provided further, That it shall not constitute or be evidence of an unfair labor practice under this paragraph for an employer to establish, assist, maintain, or participate in any organization or entity of any kind, in which 15 employees participate, to address matters of mutual inter-16 est, including, but not limited to, issues of quality, produc-17 tivity, efficiency, and safety and health, and which does not have, claim, or seek authority to be the exclusive bargaining representative of the employees or to negotiate or enter into 20 collective bargaining agreements with the employer or to 21 amend existing collective bargaining agreements between the employer and any labor organization, except that in a case in which a labor organization is the representative

- 1 of such employees as provided in section 9(a), this proviso
- 2 shall not apply;".

#### 3 SEC. 4. LIMITATION ON EFFECT OF ACT.

- 4 Nothing in this Act shall affect employee rights and
- 5 responsibilities contained in provisions other than section
- 6 8(a)(2) of the National Labor Relations Act, as amended.

Union Calendar No. 134

104TH CONGRESS H. R. 743

[Report No. 104-248]

# A BILL

To amend the National Labor Relations Act to allow labor management cooperative efforts that improve economic competitiveness in the United States to continue to thrive, and for other purposes.

SEPTEMBER 18, 1995
Reported with an amendment